

IRS DEVOTES RESOURCES TO HELP THE COMMUNICATIONS, TECHNOLOGY AND MEDIA SECTORS

WASHINGTON – In its continuing effort to be responsive to the needs of taxpayers, the Internal Revenue Service has created an industry section to address the special tax concerns of businesses in the information technology, media and entertainment sectors.

The Communications, Technology and Media section will be one of five special industry segments in the IRS's new Large and Mid-Size Business Division (LMSB). This special industry will be headquartered in the San Francisco Bay Area and will be responsible for approximately 500 large businesses and 13,600 mid-sized businesses.

This sector represents the fields of telecommunications, software and hardware development, broadcasting, publishing, sports franchises, hotels, gaming and other entertainment and recreational services.

Like the rest of LMSB, the Communications, Technology and Media section will embrace an innovative approach to resolve taxpayer issues earlier and streamline the tax dispute process to ease burdens on business. The organization will also assist taxpayers with pre-filing services to help avoid tax disputes.

This combination of factors should help reduce the cost and duration of IRS examinations, Industry Director Thomas W. Wilson, Jr., said.

Wilson, a 33-year veteran at the IRS, recently served as the Assistant Commissioner, Examination, for which he was responsible for planning, guiding and evaluating all examination programs nationwide. Wilson, who began his career as a revenue agent, has held a variety of positions, including National Director of Corporate Examinations.

"Communications, Technology, and Media represent the industries of the future. These businesses, with their worldwide connections, are the fastest growing of all the industries. The fast-paced changes in their business environment dictate a different set of tax needs," Wilson said. "We will meet the needs of this industry by working closely with them for early resolution of tax issues."

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Reporting to Wilson will be two field directors in Northern California and Manhattan. A specialized workforce of 900 highly skilled IRS employees nationwide will support the Communications, Technology and Media segment.

The other four special industry segments in LMSB are Retailers, Food and Pharmaceuticals; Financial Services and Healthcare; Natural Resources; and Heavy Manufacturing, Construction and Transportation. Combined, all five industry segments of LMSB will develop and apply innovative approaches to customer service and compliance for nearly 210,000 corporations and partnerships with at least \$5 million in assets.

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